

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS

_____)	
IN RE:)	
)	CHAPTER 13
STEPHEN W. MERRILL, JR. AND)	
ERIN L. MERRILL,)	CASE NO. 08-11323-JNF
DEBTORS)	
_____)	

MOTION TO APPROVE LOAN MODIFICATION AGREEMENT

Stephen W. Merrill, Jr. and Erin L. Merrill (the "Debtors") respectfully request approval to enter into a trial Modification Agreement with CitiMortgage, Inc., NTSB. In support, the Debtor represents as follows:

1. CitiMortgage, Inc., NTSB (the "Bank") has agreed to enter into a trial Loan Modification Agreement which provides that the mortgage payments be \$2,348.99 commencing February 1, 2010, a copy of which is annexed hereto.
2. The Debtor needs the lower payment provided by the trial Loan Modification Agreement to meet increased expenses.
3. The Debtors have amended their Schedule J to reflect the increase in expenses.

WHEREFORE, Phyllis A. Solomon respectfully requests that this Court enter an Order:

- (1) allowing her to enter into a trial Loan Modification Agreement with CitiMortgage, Inc., NTSB and
- (2) for such other relief as this Court deems just and proper.

Stephen W. Merrill and Erin L. Merrill
By their counsel,

/s/ Herbert Weinberg
Herbert Weinberg (BBO #550415)
Rosenberg & Weinberg
805 Turnpike Street
North Andover, MA 01845
(978) 583-2479
hweinberg@jrhlaw.com

Dated: January 26, 2010



***You may be able to make your payments more affordable.
Act now to get the help you need!***



January 4, 2010

Herbert Weinberg
805 Turnpike St Ste 201
North Andover MA 01845-6122

Loan #: 0644763929
Property Address: 14 Summer St
Groveland MA 01834

Dear Stephen W Merrill:

You may qualify for a Home Affordable Modification Trial Period Plan – a way to make your payment more affordable.

We have enclosed a customized Home Affordable Modification Trial Period Plan ("Trial Period Plan"). If you qualify under the federal government's Home Affordable Modification Program and comply with the terms of the Trial Period Plan, we will modify your mortgage loan and you can avoid foreclosure.

STEP 1 PROVIDE THE INFO WE NEED TO HELP YOU

Detailed instructions on what you need to do to take advantage of this offer are set forth on the enclosed document entitled "Complete Your Checklist." Generally, you will need to:

- Explain the financial hardship that makes it difficult for you to pay your mortgage loan using the Hardship Affidavit (enclosed).
- Submit the required documentation of your income.
- Make timely monthly trial period payments.

The monthly trial period payments are based on the income information that you previously provided to us. They are also our estimate of what your payment will be IF we are able to modify your loan under the terms of the program. If your income documentation does not support the income amount that you previously provided in our discussions, two scenarios can occur:

- 1) Your monthly payment under the Trial Period Plan may change
- 2) You may not qualify for this loan modification program

If you do not qualify for a loan modification, we will work with you to explore other options available to help you keep your home or ease your transition to a new home.

STEP 2 LET US KNOW THAT YOU ACCEPT THIS OFFER

Please let us know no later than 01/01/10 that you accept the Trial Period Plan. Now is the time to act. We are ready to help you. Please take the steps outlined on the enclosed document "Complete Your Checklist." If you have any questions, please contact us at 1-866-413-4560.

Sincerely,

CitiMortgage Customer Service

The Making Home Affordable program was created to help millions of homeowners refinance or modify their mortgages. As part of this program, Freddie Mac (the owner of your loan), your servicer, and the Federal Government are working to offer you options to help you stay in your home.

Attachments: Complete Your Checklist, Important Program Info, Frequently Asked Questions, Two copies of the Trial Period Plan, Hardship Affidavit, and IRS Form 4506-T

Freddie Mac Form 1123 3/09

COMPLETE YOUR CHECKLIST

Act Now!

To accept this offer, and see if you qualify for a Home Affordable Modification, send the 5 items listed below to CitiMortgage Inc., NTSB 1800, 6801 Colwell Blvd, Irving, TX 75039, no later than 01/01/10. Use the return envelope provided for your convenience.

1. Two copies of the enclosed Trial Period Plan signed by all borrowers,
2. Your first month's trial period payment in the amount of **\$2,348.99**,
3. The enclosed Hardship Affidavit completed and signed by all borrowers (no notary required),
4. A signed and dated copy of the IRS Form 4506-T (Request for Transcript of Tax Return) for each borrower (borrowers who filed their tax returns jointly may send in one IRS Form 4506-T signed and dated by both of the joint filers), and
5. Documentation to verify all of the income of each borrower (including any alimony or child support that you choose to rely upon to qualify). This documentation should include:

For each borrower who is a salaried employee:

Copy of the most recent filed federal tax return with all schedules; and
Copy of the two most recent pay stubs.

For each borrower who is self-employed:

Copy of the most recent filed federal tax return with all schedules, and
Copy of the most recent quarterly or year-to-date profit/loss statement.

For each borrower who has income such as social security, disability or death benefits, pension, public assistance, or unemployment:

Copy of most recent federal tax return with all schedules and W-2 or copies of two most recent bank statements.

Copy of benefits statement or letter from the provider that states the amount, frequency and duration of the benefit. Social security, disability, death or pension benefits must continue for at least 3 years to be considered qualifying income under this program. Public assistance or unemployment benefits must continue for at least 9 months to be considered qualifying income under this program.

For each borrower who is relying on alimony or child support as qualifying income:

Copy of divorce decree, separation agreement or other written agreement or decree that states the amount of the alimony or child support and period of time over which it will be received. Payments must continue for at least 3 years to be considered qualifying income under this program.

Proof of full, regular and timely payments; for example deposit slips, bank statements, court verification or filed federal tax return with all schedules.

For each borrower who has rental income:

Copies of most recent two years filed federal tax returns with all schedules, including Schedule E—Supplement Income and Loss. Rental income for qualifying purposes will be 75% of the gross rent.

If you have other types of income, cannot locate required documents, or have questions about the documentation required, please contact us at 1-866-413-4560.

You must send in both signed copies of the Trial Period Plan, all required income documentation, and your first trial period payment by this date 01/01/10. If you cannot provide the documentation within the time frame provided, please contact us to request an extension of time to gather your documents.

Keep a copy of all documents for your records. Don't send original income documentation as copies are acceptable.

Your remaining trial period payments in the amount of **\$2,348.99** per month will be due on or before 02/01/10, and 03/01/10. These payments should be sent instead of, not in addition to, your normal monthly mortgage payment. If the trial period payments are made in amounts different from the amount stated your loan may not be modified.

If you cannot afford the trial period payments shown above, but want to remain in your home, or if you want to leave your home and avoid foreclosure, please call us at 1-866-272-4749. We may be able to help you.

IMPORTANT PROGRAM INFO

NO FEES. There are no fees under the Home Affordable Modification program.

TRIAL PERIOD PLAN/MODIFICATION AGREEMENT. The Trial Period Plan is the first step. Once we are able to confirm your income and eligibility for the program, we will finalize your modified loan terms and send you a loan modification agreement ("Modification Agreement"), which will reflect the terms of your modified loan. In addition to successfully completing the trial period, you will need to sign and promptly return to us both copies of the Modification Agreement or your loan can not be modified.

NEW PRINCIPAL BALANCE. Past due amounts as of the end of the trial period, including unpaid interest, real estate taxes, insurance premiums and certain assessments paid on your behalf to a third party, will be added to your mortgage loan balance (the "Past Due Arrearage Amount"). **If you fulfill the terms of the trial period including, but not limited to, making the trial period payments, we will waive ALL unpaid late charges at the end of the trial period.**

ESTIMATED MONTHLY PAYMENT. At this time, we are not able to calculate precisely the Past Due Arrearage Amount or the amount of the modified loan payment that will be due after successful completion of the trial period. However, based on information we currently have, your trial period payment should be close to your modified loan payment. As we near the end of the trial period, we will calculate any past due amount to determine your new permanent monthly payment and other modified loan terms.

ESCROW ACCOUNT. The terms of your Trial Period Plan and your Modification Agreement will require the servicer to set aside a portion of your new monthly payment in an escrow account for payment of your property taxes, insurance premiums and other required fees. Your current loan may also require escrows. If it does not, the previous waiver of escrows is cancelled under your Trial Period Plan. CitiMortgage, Inc. will draw on this account to pay your real estate taxes and insurance premiums as they come due. Please note that your escrow payment amount will adjust if your taxes, insurance premiums and/or assessment amounts change, so the amount of your monthly payment that the servicer must place in escrow will also adjust as permitted by law. This means that your monthly payment may change. Your initial monthly escrow payment will be \$449.01.

ESCROW SHORTAGE. Due to the timing of your tax and insurance payments, we have estimated that there may be a shortage of funds in your escrow account. In the event there is an escrow shortage, you may either pay it over a five year (60 months) period or pay it in a lump sum. The estimated monthly payment stated above includes an amount to pay the escrow shortage over a five year period. **If you wish to pay the total estimated shortage in a lump sum, please contact us.**

BORROWER INCENTIVE. If your monthly mortgage payment (principal, interest, property taxes, hazard insurance, flood insurance, condominium association fees and homeowner's association fees, as applicable, but excluding mortgage insurance) is reduced through the Home Affordable Modification Program by six percent or more and if you make your monthly mortgage payments on time, you will accrue a monthly benefit equal to the lesser of: (i) \$83.33 or (ii) one-half of the reduction in your monthly mortgage payment. As long as your mortgage loan does not become 90 days delinquent, we will apply your accrued monthly benefit to your mortgage loan and reduce your principal balance after each of the first through fifth anniversaries of the month in which the Trial Period Plan is executed. If your modified mortgage loan ever becomes 90 days delinquent, you will lose all accrued but unapplied principal reduction benefits and will no longer be eligible to accrue additional principal reduction benefits even if the mortgage loan is later brought current.

CREDIT COUNSELING. If you have very high levels of debt you will be required to obtain credit counseling under the Home Affordable Modification program.

CREDIT REPORTING. During the trial period, we may report your loan as delinquent to the credit reporting agencies even if you make your trial period payments on time. However, after your loan is modified, we will only report the loan as delinquent if the modified payment is not received in a timely manner.

FREQUENTLY ASKED QUESTIONS

Q. How long will it take to process my modification request and determine if I qualify for the program?

It may take up to 30-45 days for us to receive and review your documents. We will process your modification request as quickly as possible. Please note, however, that your modification will not be effective unless you meet all of the applicable conditions, including making all trial period payments.

Q. What if my trial period payment is less than the payment I currently owe on my loan?

We will add the difference between the monthly payment that you currently owe on your loan and the trial period payment to your loan balance and allow you to pay it over the remainder of the modified loan term.

Q. What do you do with my first trial period payment if I do not qualify for the program?

Your first trial payment will be applied to your existing loan in accordance with the terms of your loan documents. If you don't qualify for the program, we will help you evaluate other options to help you keep your home or ease your transition to a new home.

Q. Will a foreclosure occur if I participate in the Home Affordable Modification Program?

As long as you comply with the terms of the Trial Period Plan, we will not start foreclosure proceedings or conduct a foreclosure sale if foreclosure proceedings have started. If you fail to comply with the terms of the Trial Period Plan and do not make other arrangements, your loan will be enforced according to its original terms, which could include foreclosure.

Q. What happens to my trial period payments if I do not comply with the terms of the Trial Period Plan?

Your trial period payments will be applied to your existing loan according to the terms of your loan documents.

Q. If I get a Home Affordable Modification, can my modified loan terms ever revert to the original loan terms?

No. This is one of the advantages of the Home Affordable Modification Program. Once your loan is modified, the new terms stay in place for the remainder of your loan.

Q. Do all borrowers have to sign the Trial Period Plan and other documents?

Unless a borrower or co-borrower is deceased, all borrowers who signed the original loan documents or their duly authorized representative(s) must sign the Trial Period Plan, the Modification Agreement and all other required modification documents. Contact your servicer if it would be difficult or impossible for you to comply with this requirement.

Q. Could my trial period payment be more than my current payment?

Yes. For example, if your current payment does not include an escrow payment and you are now required to make monthly escrow payments, your trial period payment could be higher than your current payment. Note, however, that the increase in your payment under these circumstances would be offset by other tax and insurance bills you would no longer have to pay directly as we will pay those for you out of your escrow account.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS

IN RE:

STEPHEN W. MERRILL, JR. AND
ERIN L. MERRILL,
DEBTORS

CHAPTER 13

CASE NO. 08-11323-JNF

CERTIFICATE OF SERVICE

I certify that a copy of the Motion to Approve Loan Modification Agreement was this day sent, by mailing, first class mail, postage prepaid, or through the Court's ECF system to the following.

Countrywide Home Loans, Inc.
c/o McCalla Raymer, LLC
Bankruptcy Department
1544 Old Alabama Road
Roswell, GA 30076

Household Bank (SB) NA
c/o Bass & Associates
3936 E. Ft. Lowell Rd., Ste. 200
Tucson, AZ 85712

Ramesh Singh
Recovery Management Systems
25 SE 2nd Avenue, Ste. 1120
Miami, FL 33131-1605

Mr. & Mrs. Stephen Merrill
14 Summer Street
Groveland, MA 01834

American Student Assistance
330 Stuart Street
Boston, MA 02116

Carolyn Bankowski
Chapter 13 Trustee
PO Box 8250
Boston, MA 02114

Citimortgage, Inc., NTSB 1800
6801 Colwell Boulevard
Irving, TX 75039

Signed under the penalties of perjury this 26th day of January 2010.

/s/ Herbert Weinberg
Herbert Weinberg (BBO #550415)
Rosenberg & Weinberg
805 Turnpike Street
North Andover, MA 01845
(975) 683-2479
hweinberg@jrhlwlaw.com